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MEMORANDUM RECEIVED

TO: Docket Control

FROM: *for* Steven M. Olea
Director
Utilities Division

2015 MAY 15 A 8:11

AZ CORP COMMISSION
DOCKET CONTROL

DATE: May 15, 2015

RE: IN THE MATTER OF THE APPLICATION OF PRONET
COMMUNICATIONS, INC. FOR APPROVAL TO CANCEL ITS
CERTIFICATE OF CONVENIENCE AND NECESSITY. (DOCKET NO. T-
04042A-15-0106)

Attached is the Staff Report for the above referenced application. The applicant is applying for approval to cancel its Certificate of Convenience and Necessity ("CC&N") to provide the following services:

- Resold Interexchange Telecommunications Services

Staff recommends cancellation of the CC&N.

SMO:MAC:nr\BH

Originator: Matt Connolly

ORIGINAL

Arizona Corporation Commission
DOCKETED

MAY 15 2015

DOCKETED BY

SERVICE LIST FOR: PRONET COMMUNICATIONS, INC.
DOCKET NO.: T-04042A-15-0106

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STAFF REPORT
UTILITIES DIVISION
ARIZONA CORPORATION COMMISSION

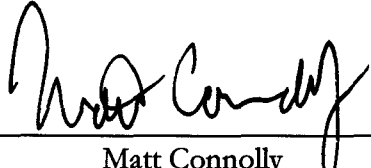
PRONET COMMUNICATIONS, INC.
DOCKET NO. T-04042A-15-0106

IN THE MATTER OF THE APPLICATION OF PRONET COMMUNICATIONS, INC.
FOR APPROVAL TO CANCEL
THEIR CERTIFICATE OF CONVENIENCE AND NECESSITY.

May 15, 2015

STAFF ACKNOWLEDGEMENT

The Staff Report for ProNet Communications, Inc., Docket No. T-04042A-15-0106, was the responsibility of the Staff member listed below. Matt Connolly was responsible for the review and analysis of the matter of the cancellation of the Certificate of Convenience and Necessity of ProNet Communications, Inc.



Matt Connolly
Executive Consultant II

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INTRODUCTION

On March 30, 2015, ProNet Communications, Inc. ("ProNet" or "Applicant") submitted an Application to cancel its resold interexchange telecommunications services Certificate of Convenience and Necessity ("CC&N").

BACKGROUND

ProNet is a Kentucky corporation with headquarters located at 2000 N KY Highway 801 S, Morehead, Kentucky, 40351. ProNet was granted a CC&N by the Arizona Corporation Commission ("Commission") to provide competitive resold interexchange telecommunications service in Decision No. 65461, dated December 19, 2002.

STAFF'S ANALYSIS

In its Application, ProNet indicated it has not transacted any business in Arizona since the end of 2011. ProNet also indicated in its Application that since the end of 2011 it has not had any Arizona customers and, prior to that time, its customers switched to other carriers of their own accord. Finally, while the Applicant continues to do business in several other states, it has no plans to pursue new business in Arizona and requests the cancellation of its authority to provide resold interexchange telecommunications service in Arizona.

Pursuant to Arizona Administrative Code ("A.A.C"). R14-2-1107(B), ProNet is required to publish legal notice of an Application to discontinue or abandon local exchange or interexchange services in all counties affected by the Application. As the Applicant has indicated to Staff it no longer has any customers, there are no longer any customers who would benefit from the legal notice. Therefore, Staff recommends that the notice requirement pursuant to A.A.C. R14-2-1107 be waived.

The Consumer Services Section of the Utilities Division reports that there were no complaints or opinions filed against ProNet from January 1, 2012 through April 9, 2015. According to the Corporations Division, ProNet did not file its 2012, 2013 and 2014 Annual Reports. ProNet did not file its Utilities Annual Report for years ending 2012, 2013 and 2014.

RECOMMENDATIONS

For the above stated reasons, Staff recommends approval of the cancellation of the CC&N of ProNet to provide competitive resold interexchange telecommunications services in Arizona. Additionally, Staff recommends that the legal notice requirement contained in A.A.C. R14-2-1107 be waived. Staff further recommends the cancellation of ProNet's tariff that is on file with this Commission.

Upon cancellation of its CC&N, ProNet will no longer be authorized to provide competitive resold interexchange telecommunications services in Arizona and therefore, will no longer be subject to the requirements of Decision No. 65461.